

Registered number 01579831

## **Ashridge Construction Limited**

### **Report and Financial Statements for the period 1 November 2012 to 31 December 2013**



# Ashridge Construction Limited

## Directors and advisers

### Directors

R. T. Evans  
H. Smith  
N.A. Johnson  
D. Jeary

### Secretary

T.A. Lowe

### Registered office

Unit 7, Dyffryn Court  
Riverside Business Park  
Swansea Vale  
Swansea  
SA7 0AP

### Independent auditors

PricewaterhouseCoopers LLP  
Llys Tawe  
Kings Road  
SA1 Swansea Waterfront  
Swansea SA1 8PG

### Bankers

Lloyds TSB Bank Plc  
Carlyle House  
5 Cathedral Road  
Cardiff  
CF11 9RH

# **Ashridge Construction Limited**

## **Report and Financial Statements for the period 1 November 2012 to 31 December 2013**

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# Ashridge Construction Limited

## Strategic report for the period from 1 November 2012 to 31 December 2013

The directors present their strategic report on the company for the period from 1 November 2012 to 31 December 2013.

### Business review and future developments

The company was acquired by Dawnus Southern Limited in March 2013.

Activity reduced during the period but the directors are confident of growth in subsequent periods to return the company to higher levels of trading and profitability.

### Results and dividends

The trading results for the period are set out on page 6.

The directors do not recommend the payment of a dividend on ordinary shares for the period ended 31 December 2013 (2012: £Nil).

The company's key performance indicators are financial, turnover and operating profit. These are set out in the profit and loss account.

**By order of the Board**



**R.T.Evans**  
Director

# Ashridge Construction Limited

## Directors' report for the period 1 November 2012 to 31 December 2013

During the period the company changed its accounting reference date from 31 October to 31 December. The directors present their report and the audited financial statements for the period 1 November 2012 to 31 December 2013.

### Principal activity

The principal activity of the company is that of building and civil engineering.

### Financial risk management objectives and policies / Principal risks and uncertainties

Along with all businesses, the company has to identify and manage a number of risks and uncertainties in its operations. Overall demand is dependent upon general economic conditions, perceived confidence in the future, and financial interest rates, all of which are outside the company's control. We aim to spread the impact of these general risks by constantly assessing the geographical markets and industry sectors in which we operate, by our commitment to a quality labour force through training and personal development, and by striving to control quality and minimise costs. The company carefully manages its working capital requirements, and continues to develop business systems and introduce new technology where appropriate to improve procedures and overall financial management.

### Directors

The directors who served during the period and up to the date of approval of the financial statements are as stated below:

R. T. Evans	(Appointed 15 October 2013)
H. Smith	(Appointed 15 October 2013)
N. A. Johnson	(Appointed 28 March 2013)
D. Jeary	
R. G. Jones	(Appointed 28 March 2013 and resigned 15 October 2013)
T. A. Lowe	(Appointed 28 March 2013 and resigned 15 October 2013)
P. J. Jones	(Resigned 28 March 2013)
C. Jones	(Resigned 28 March 2013)

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Ashridge Construction Limited

## Directors' report

for the period 1 November 2012 to 31 December 2013 (continued)

### Statement of disclosure of information to auditors

As far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent auditors

PricewaterhouseCoopers LLP are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

By order of the board.



R.T.Evans  
Director

# Ashridge Construction Limited

## Independent auditors' report to the members of Ashridge Construction Limited

### Report on the financial statements

#### Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

#### What we have audited

The financial statements, which are prepared by Ashridge Construction Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

#### Other matters on which we are required to report by exception

##### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

# Ashridge Construction Limited

## Independent auditors' report to the members of Ashridge Construction Limited (continued)

### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Mark Ellis (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Swansea, 22 May 2014



# Ashridge Construction Limited

Registered number 01579831

## Profit and Loss Account for the period 1 November 2012 to 31 December 2013

	Notes	1 November 2012 to 31 December 2013 £000	1 May 2011 to 31 October 2012 £000
Turnover	2	1,819	9,752
Cost of sales		(1,587)	(8,704)
<b>Gross profit</b>		<b>232</b>	<b>1,048</b>
Administrative expenses		(389)	(1,420)
<b>Operating loss</b>		<b>(157)</b>	<b>(372)</b>
Interest receivable and similar income		1	1
Interest payable and similar charges	3	(1)	(5)
<b>Loss on ordinary activities before taxation</b>	6	<b>(157)</b>	<b>(376)</b>
Tax on loss on ordinary activities	7	-	17
<b>Loss for the financial year</b>	13,14	<b>(157)</b>	<b>(359)</b>

All operations are continuing.

The company has no recognised gains and losses other than included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial period stated above and their historical cost equivalents.

# Ashridge Construction Limited

Registered number 01579831

## Balance Sheet As at 31 December 2013

		31 December 2013 £000	31 October 2012 £000
	Note		
<b>Fixed assets</b>			
Tangible assets	8	82	383
<b>Current assets</b>			
Debtors	9	898	874
Cash at bank and in hand		84	291
		982	1,165
<b>Creditors: amounts falling due within one year</b>	10	(244)	(563)
<b>Net current assets</b>		738	602
<b>Total assets less current liabilities</b>		820	985
<b>Creditors: amounts falling due after more than one year</b>	11	-	(8)
<b>Net assets</b>		820	977
<b>Capital and reserves</b>			
Called up share capital	12	10	10
Profit and loss account	13	810	967
<b>Total shareholders' funds</b>	14	820	977

The financial statements on pages 6 to 14 were approved by the board of directors on 22 May 2014 and were signed on its behalf by:



**R.T. Evans**  
Director

# Ashridge Construction Limited

## Notes to the financial statements for the period 1 November 2012 to 31 December 2013

### 1. Accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The principal accounting policies are summarised below. They have been consistently applied throughout the year and preceding period.

The company was acquired by Dawnus Southern Limited in March 2013.

### Cash flow statement and related party disclosure

The company is a wholly owned subsidiary of Dawnus Southern Limited and is included in the consolidated financial statements of Dawnus Group Limited which are publicly available.

Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1. The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Dawnus Group Limited group or investees of Dawnus Group Limited and its subsidiary companies.

### Turnover and amounts recoverable on contracts

Turnover for a financial year includes the value of construction work done and plant hire income. Turnover excludes trade discounts and value added tax.

Long term contract balances are assessed on a contract by contract basis and are reflected in the profit and loss account as contract activity progress. Any expected losses on long term contract balances are recognised immediately and are written off to the profit and loss account. Where it is considered that the outcome of a long term contract can be assessed with reasonable certainty before its conclusion, the prudently calculated attributable profit is recognised in the profit and loss account as the difference between reported turnover and related costs for that contract.

On short term contracts turnover and profits are recognised when invoices are raised for certified work undertaken.

The amount by which recorded turnover is in excess of payments on account is classified as "amounts recoverable on contracts" and separately disclosed within debtors. Where progress payments are in excess of recognised turnover, the excess is included in creditors as 'payments received on account'.

### Stocks and work in progress

Stocks and work in progress (other than long term contract balances) are stated in the balance sheet at the lower of cost and net realisable value. Work in progress comprises costs incurred in development projects less any provisions for amounts deemed irrecoverable.

### Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Short leasehold	- evenly over the lease term
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 20% reducing balance

The directors undertake reviews of the carrying value of fixed assets when trigger events occur and make such provisions for impairment as they consider necessary.

# Ashridge Construction Limited

## Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Exchange gains and losses are included in operating profit.

## Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements, which transfer to the company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in the fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

## Long term contracts

Amounts receivable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account.

## Pensions

The group operates defined contribution pension schemes for its employees. The assets of the schemes are kept independently of the group in separately administered funds. The pension costs charged in the financial statements represent the contributions payable by group companies during the year.

## Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at that date.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sustainable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

## 2. Turnover

The total turnover of the company for the period has been derived from its principal activity of construction and civil engineering and is wholly undertaken in the United Kingdom.

## 3. Interest payable and similar charges

1 November	1 May 2011
2012 to 31	to 31
December	October
2013	2012
£000	£000

Interest payable on finance leases	1	5
	1	5

# Ashridge Construction Limited

## 4. Employee information

The average monthly number of persons (including executive directors) employed by the company during the period was:

	<b>1 November 2012 to 31 December 2013 Number</b>	<b>1 May 2011 to 31 October 2012 Number</b>
<b>Number of employees</b>		
Construction site staff	-	25
Administration	5	17
	<b>5</b>	<b>42</b>

Payroll costs for the above personnel are analysed below.

	<b>1 November 2012 to 31 December 2013 £000</b>	<b>1 May 2011 to 31 October 2012 £000</b>
<b>Employment costs</b>		
Wages and salaries	90	1,697
Social security costs	9	168
Pension costs	1	17
	<b>100</b>	<b>1,882</b>

## 5. Directors' emoluments

	<b>1 November 2012 to 31 December 2013 £000</b>	<b>1 May 2011 to 31 October 2012 £000</b>
Aggregate emoluments	41	117
Pension contributions	-	-
	<b>41</b>	<b>117</b>

## Ashridge Construction Limited

### 6. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	1 November 2012 to 31 December 2013 £000	1 May 2011 to 31 October 2012 £000
Depreciation of tangible fixed assets:		
- Owned assets	26	235
- Under finance leases	10	64
Profit on disposal of tangible fixed assets	-	(100)
<b>Services provided by the company's auditor</b>		
Fees payable for audit	4	13
Fee payable for other services – tax compliance	3	5

### 7. Tax on loss on ordinary activities

	1 November 2012 to 31 December 2013 £000	1 May 2011 to 31 October 2012 £000
<b>Current tax</b>		
UK corporation tax on loss for the period	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(17)
<b>Total deferred tax</b>	-	(17)
<b>Tax on loss on ordinary activities</b>	-	(17)

## Ashridge Construction Limited

The tax assessed for the period is higher than the standard effective rate of corporation tax in the UK (23.25%). The differences are explained below:

	1 November 2012 to 31 December 2013 £000	1 May 2011 to 31 October 2012 £000
Loss on ordinary activities before taxation	(157)	(376)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 20%)	(37)	(75)
Effects of:		
Depreciation in excess of capital allowances	-	78
Profit on disposal of fixed assets	-	(20)
Current year losses	-	17
Expenses not deductible	9	-
Short term timing differences	36	-
Utilisation of tax losses	(12)	-
Group relief	4	-
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

### 8. Tangible fixed assets

	Short leasehold £000	Plant and machinery £000	Motor vehicles £000	Office equipment £000	Total £000
<b>Cost</b>					
At 1 November 2012	150	1,119	35	162	1,466
Additions	42	-	-	-	42
Group transfer	-	(1,119)	(35)	(162)	(1,316)
<b>At 31 December 2013</b>	<b>192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192</b>
<b>Depreciation</b>					
At 1 November 2012	105	814	23	141	1,083
Charge for the period	5	27	1	3	36
Group transfer	-	(841)	(24)	(144)	(1,009)
<b>At 31 December 2013</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110</b>
<b>Net book value</b>					
<b>At 31 December 2013</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82</b>
At 31 October 2012	45	305	12	21	383

## Ashridge Construction Limited

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	31 December 2013		31 October 2012	
	Net book	Depreciation	Net book	Depreciation
	value £000	charge £000	value £000	charge £000
Plant and machinery	-	-	72	64
	-	-	72	64

### 9. Debtors

	31 December 2013 £000	31 October 2012 £000
Trade debtors	64	108
Amounts recoverable on long-term contracts	476	732
Amount owed by group undertakings	318	-
Other debtors	32	3
Prepayments and accrued income	8	31
	898	874

### 10. Creditors: amounts falling due within one year

	31 December 2013 £000	31 October 2012 £000
Bank loan (see below)	-	85
Obligations under finance leases and hire purchase contracts	-	27
Trade creditors	169	342
Other taxes and social security costs	6	42
Other creditors	-	63
Accruals and deferred income	69	4
	244	563

### 11. Creditors: amounts falling due after more than one year

	31 December 2013 £000	31 October 2012 £000
Obligations under finance leases and hire purchase contracts	-	8
	-	8



## Ashridge Construction Limited

### 12. Called up share capital

	31 December 2013 £	31 October 2012 £
<b>Allotted equity</b>		
10,000 (2012: 10,000) ordinary shares of £1 each	10,000	10,000

### 13. Profit and loss

	£000
At 1 November 2012	967
Loss for the financial period	(157)
<b>At 31 December 2013</b>	<b>810</b>

### 14. Reconciliation of movements in shareholders' funds

	31 December 2013 £000	31 October 2012 £000
Loss for the financial period	(157)	(359)
Net decrease in shareholders' funds	(157)	(359)
<b>Opening shareholders' funds</b>	<b>977</b>	<b>1,336</b>
<b>Closing shareholders' funds</b>	<b>820</b>	<b>977</b>

### 15. Operating lease commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases for assets other than land and buildings expiring as follows:

	31 December 2013 £000	31 October 2012 £000
After five years	95	95
	<b>95</b>	<b>95</b>

### 16. Ultimate parent company and controlling party

The immediate parent company is Dawnus Southern Limited, which is a wholly-owned subsidiary of Dawnus Construction Holdings Limited, which is itself wholly owned by Dawnus Group Limited. The ultimate parent company and controlling party is Dawnus Group Limited which is the parent company of the largest and smallest group to consolidate these financial statements. Copies of the Dawnus Group Limited consolidated financial statements can be obtained from the Company Secretary at Unit 7, Dyffryn Court, Riverside Business Park, Swansea Vale, Swansea, SA7 0AP.